



ATS CONSOLIDATED (ATSC), INC.
(Formerly "ABOITIZ TRANSPORT SYSTEM CORPORATION")

BY-LAWS

AMENDED BY-LAWS

OF

ATS CONSOLIDATED (ATSC), INC.

**DOING BUSINESS UNDER THE NAME & STYLE OF ATS; 2GO; 2GO TOGETHER;
SUPERFERRY; SUPERFERRY TRAVEL AND LEISURE AND CEBU FERRIES**

*(Amended at the respective meetings of the
Board of Directors on 28 April 2011 and Stockholders on 22 June 2011.)*

[Formerly: ABOITIZ TRANSPORT SYSTEM (ATSC) CORPORATION
DOING BUSINESS UNDER THE NAME & STYLE OF ATS; 2GO; 2GO TOGETHER;
SUPERFERRY; SUPERFERRY TRAVEL AND LEISURE AND CEBU FERRIES]

ARTICLE I

OFFICE

The main office of the Corporation shall be located at the place designated under the Third Article of the Articles of Incorporation of the Corporation. Branch, correspondent, and representative offices may likewise be established in such other places in the Philippines, or in foreign countries, as the Board of Directors may determine from time to time.

(As amended by a majority of the Board of Directors on 27 November 2003 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 18 December 2003)

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. REGULAR ANNUAL MEETINGS. The annual meeting of the stockholders shall be held on the 4th Thursday of May of each year, at the main office of the Corporation or in such other places in the city where the principal office of the corporation is located as may be designated in the notice. If the date of the annual meeting falls on a legal holiday, the annual meeting shall be held on the next succeeding business day which is not a legal holiday, at such hour as may be specified in the notice of said meeting. If the election of directors shall not be held on the day designated for the annual meeting or at any adjournment of such meeting, the Board of Directors shall cause the election to be held at a special meeting as soon thereafter as the same may conveniently be held. At such special meeting, the stockholders may elect the directors and transact other business as

stated in the notice of the meeting with the same force and effect as at an annual meeting called and held.

The Board of Directors may, by majority vote and for good cause, reset the annual meeting to another date.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 2. NOTICE OF REGULAR ANNUAL MEETINGS. Except as otherwise provided by law, written or printed notice of all annual meetings of stockholders, stating the place and the time of the meeting and, if necessary, the general nature of the business to be considered, shall be transmitted by personal delivery, mail, telegraph, facsimile, electronic mail, publication in a newspaper of general circulation or cable to each stockholder of record entitled to vote thereat at his address last known to the Secretary of the Corporation, at least twenty (20) days before the date of the meeting. Except where expressly required by law, no publication of any notice of annual meeting of stockholders shall be required. If any stockholder shall, in person or by proxy or by telegraph, cable, or facsimile, waive notice of any meeting, whether before or after the holding of such meeting, notice thereof need not be given to him. The requirements for notice to the meeting shall be deemed waived if the stockholder, in person, or by proxy, shall be present thereat. Notice of any adjourned meeting of the stockholders shall not be required to be given, except when expressly required by law.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 3. SPECIAL MEETINGS. Special meetings of the stockholders may be called by the (i) Chairman of the Board, or (ii) the President of the Corporation, at their discretion or (iii) upon request in writing addressed to the Chairman of the Board, signed by a majority of the members of the Board of Directors, or (iv) by two or more stockholders registered as the owners of at least thirty percent (30%) of the total shares of stock issued and outstanding which are entitled to vote.

Section 4. NOTICE OF SPECIAL MEETINGS. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and time of the meeting, the purpose or purposes for which said meeting is called. The notice shall be given no less than twenty (20) days before the date of the meeting to each stockholder entitled to vote at such meeting. Notices shall be sent by the Secretary by personal delivery, facsimile, telegraph, cable, electronic mail or by mailing the notice to each

stockholder of records at his last know address or by publishing the notice in a newspaper of general circulation of at least twenty (20) days prior to the date of the meeting. If mailed, such notice shall be deemed to be given when deposited in the Philippine mail, postage prepaid, directed to the stockholder of records at his last known postal address. Only matters stated in the notice can be subject of such motion or discussions at the meeting. Notice of special meetings may be waived in writing by any shareholder, in person or by proxy, before or after the meeting. Such notice shall be deemed waived if such shareholder is present at the special meeting, in person or by proxy. Notice of any adjourned meeting of the stockholders shall not be required to be given, except when expressly required by law.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 5. PLACE OF MEETINGS. All meetings of the stockholders shall be held at the main office of the Corporation or such other places in the city where the principal office of the corporation is located as may be designated in the notice.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 6. QUORUM. All majority of the subscribed capital, present in person or represented by proxy, shall be sufficient at a stockholder's meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever, except in those cases in which the Corporation Code requires the affirmative vote of a greater portion.

In the absence of a quorum, any officer entitled to preside or act as Secretary of such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite number of shares shall be present or represented. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 7. VOTE. At each meeting of the stockholders, every stockholder shall be entitled to vote in person or by proxy for each share of stock held by him which has voting power upon the matter in question. The votes for the election of directors, and, except upon demand by any stockholder, the votes upon any question before the meeting, except with respect to procedural questions determined by the chairman of the meeting, shall be by viva voce or show of hands.

Section 8. ELECTION OF DIRECTORS. The directors of the Corporation shall be elected by plurality of vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of shares shall equal, or by distributing such votes at the same principle among any number of candidates.

Section 9. PROXIES. Stockholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy duly given in writing and duly presented to and received by the Secretary for inspection and recording not later than five (5) working days before the time set for the meeting, except such period shall be reduced to one (1) working day for meetings that are adjourned due to lack of the necessary quorum. No proxy bearing a signature which is not legally acknowledged by the Secretary shall be honored at the meetings. Proxies shall be valid and effective for one (1) year, unless the proxy provides for a shorter period, and shall be suspended for any meeting wherein the stockholder appears in person.

Section 10. FIXING DATE FOR DETERMINATION OF STOCKHOLDERS OF RECORD. For purposes of determining the stockholders entitled to notice of, or to vote or be voted at any meeting of stockholders or any adjournments thereof, or entitled to received payment of any dividends or other distribution or allotment of any rights, or for the purpose of any other lawful action, or for making any other proper determination of stockholders, the Board of Directors may provide that the stock and transfer books be closed for a stated period, which shall not be not less than 30 days before the date of such meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders. A determination of stockholders of record entitled to notice of or to vote or be voted at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 11. ORDER OF BUSINESS. The Order of Business at the annual meeting and as far as possible at all other meetings of the stockholders shall be as follows:

1. Calling the Roll.
2. Secretary's proof of due notice of the meeting and existence of a quorum.

3. Reading and approval of any unapproved minutes.
4. Reports of officers, annual and otherwise.
5. Financial Report and Approval of Financial Statements for the preceding year.
6. Election of Directors.
7. Unfinished business.
8. New Business.
9. Transaction of such other matters as may properly come during the meeting.
10. Adjournment.

Section 12. ADJOURNMENTS. Any meeting of the stockholders, annual or special, may adjourn from time to time at the same or some other place, and notice need not be given of any such adjourned meeting, if the time and place thereof are announced at the meeting at which the adjournment is taken. At the reconvened meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

ARTICLE III

BOARD OF DIRECTORS

Section 1. POWERS OF THE BOARDS. Unless otherwise provided by law, the corporate powers of the Corporation shall be exercised, all business conducted and all property of the Corporation controlled and held by the Board of Directors to be elected by and from among the stockholders. Without prejudice to such general powers as may be granted by law, the Board of Directors shall have the following express powers:

- a. From time to time, make and change rules and regulations not inconsistent with these by laws for the management of the Corporation's business and affairs;
- b. To purchase, receive, take or otherwise acquire in any lawful manner, for and in the name of the Corporation, any and all properties, rights, interests or privileges, including securities and bonds of other corporations may reasonably or necessarily require, for such consideration and upon such terms and conditions as the Board may deem proper or convenient;
- c. To invest the funds of the Corporation in another Corporation or business or for any purpose other than those for which the corporation was organized, whenever the judgment of the Board of Directors

the interests of the Corporation would thereby be promoted, subject to such stockholder's approval as may be required by law;

- d. To incur such indebtedness as the Board may deem necessary and, for such purpose, to make and issue evidence of such indebtedness including, without limitation, notes, deeds of trust, instruments, bonds, debentures, or securities, subject to such stockholder approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties and rights of the corporation;
- e. To guarantee, for and in behalf of the Corporation obligations of the Corporations or entities in which it has lawful interests;
- f. To make provisions of the discharge of the obligations of the Corporation as they mature, including payment for any property, or in stocks, bonds, debentures or other securities of the Corporation lawfully issued for the purpose;
- g. To sell, lease, exchange, assign, transfer or otherwise dispose of any property, real or personal, belonging to the Corporation, whenever in the Board's judgment, the Corporation's interest would thereby be promoted; provided that no agreement, contract, or obligation involving the payment of money or of the credit or liability of the Corporation shall be made without the approval of the Board of Directors, except by an officer or agent who is authorized generally or specifically, if the nature of the agreement requires specific authority, by the Board of Directors.
- h. To establish pension, retirement, bonus, profit-sharing or other types of incentives or compensation plans for the employees, including officers and directors of the Corporation and to determine the persons to participate in any such plans and the amount of their respective participation;
- i. To prosecute, maintain, defend, compromise or abandon any lawsuit in which the Corporation or its officers are either plaintiffs or defendants in connection with the business of the Corporation, and likewise, to grant installments for the payment or settlement of whatsoever debts or payments to the Corporation;
- j. To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business or businesses of the Corporation to any standing or special or to any officer or agent and to appoint any persons to be agents of the Corporation with such

powers (including the power to sub-delegate), and upon such terms, as may be, deemed fit; and

- k. To implement these by-laws and to act on any matter not covered by these by-laws provided such matter does not require the approval or consent of the stockholders under any existing law, rule and regulation.

Section 2. NUMBER AND TERMS OF OFFICE. The business and property of the Corporation shall be managed by a Board of nine (9) Directors who shall be stockholders and who shall be elected annually by the stockholders owning majority of the subscribed capital stock entitled to vote in the manner provided in these By-laws for a term of one year and shall serve until the election and acceptance of their duly qualified successors, or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Any vacancies may be filled by the remaining members of the Board if still constituting a quorum by a majority vote, and the Directors so chosen shall serve for the unexpired terms. *(As amended on 21 December 1995)*

Section 3. QUALIFICATIONS. Any stockholder having at least one (1) share registered in his name may be elected Director, provided, however, that no person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be Deemed to be so engaged:

- a. If he is an officer, manager, or controlling person, of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any corporation (other than one in which the Corporation owns at least thirty percent (30%) of the Capital Stock) engaged in a business which the Board by a majority vote, determines to be competitive, antagonistic, and/or in clear conflict of interest to that of the Corporation; or
- b. If he is an officer, manager or controlling person, of or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares, of any other corporation or entity engaged in any line of business of the Corporation, when in the judgment of the Board, by a majority vote, the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Director's; or
- c. If the Board, in the exercise of its judgment in good faith, determines by a majority vote that he is the nominee of any person set forth in (a) or (b).

In determining whether or not a person is a controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business and family relationships.

For the Proper implementation of this provision, all nominations for election of Directors (other than independent directors) by the stockholders shall be submitted in writing to the Board of Directors at least five (5) working days before the date for the election of Directors, except as may be otherwise provided by the Board of Directors in appropriate guidelines that it may promulgate from time to time in compliance with law. The nomination and election of independent directors shall follow Rule 38 of the Securities Regulation Code as the same may be amended from time to time.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 4. ORGANIZATIONAL MEETING. The Board of Directors shall meet for the purpose of organization, election of officers and the transaction of other business, as soon as practicable after each annual election of directors and on the same day and, if practicable, at the same place at which regular meetings of the Board of Directors are held. Notice of such meeting need not given. Such meeting may be held at any other time and place which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the directors.

Section 5. REGULAR AND SPECIAL MEETING. Regular meetings of the Board of Directors shall be held every month on such date and time, and at such place as may be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the (1) Chairman of the Board; (2) President; or (3) a majority of the Board of Directors. *(As amended on 30 April 1999)*

Section 6. NOTICE OF MEETINGS. Notice of either regular or special meetings shall be given by the Secretary by posting the same on a postage-prepaid letter addressed to each member of the Board at his given address, or by delivering the same to him in person, or transmitted by telegraph, facsimile or cable or electronic mail to each director at least three (3) working days before the day on which the meeting is to be held. The notice of special meeting shall state the time and place of the meeting and the object thereof. Notice of any meeting of the Board need not be given to any director, if waived by him in writing, whether before or after such meeting is held or if he shall be present at the meeting, and any meeting of the Board shall be a legal meeting without any notice thereof having been given to any director, if all the directors shall be present thereat.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 7. QUORUM. A quorum at any meeting of the directors shall consist of a majority of the number of directors fixed in the Articles of Incorporation. A majority of such quorum shall decide any question that may come before the meeting and shall be considered a valid corporate act except for the election of officers which shall require the vote of a majority of all the members of the Board. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.

Section 8. CONDUCT OF THE MEETINGS. Meetings of the Board of Directors shall be presided over the Chairman of the Board or, in his absence, the Vice-Chairman and in the absence of both the Chairman and the Vice-Chairman, the President, or if none of the foregoing is in office and present and acting, by any other director chosen by the Board. The Secretary shall act as secretary in every meeting, and if he is unable to do so, the Assistant Secretary shall act as the secretary of the meeting and in both their absences, the chairman of the meeting shall appoint a secretary of the meeting.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 9. RESIGNATIONS. Any director of the Corporation may resign at any time by giving written notice to the President or the Secretary of the Corporation. The resignation of any director shall take effect as of the date of its acceptance by the Board of Directors.

Section 10. VACANCIES. Any vacancy in the Board other than by removal by the stockholders or by expiration of the term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors or due to the removal of a director by the stockholders in the manner provided by law shall be filled by an election at a regular or at a special meeting of the stockholders duly called for the purpose, or in the same meeting authorizing such increase or removal of directors.

Section 11. COMPENSATION. Each director shall receive a reasonable per diem for his attendance at every meeting of the Board. Furthermore, every member of the Board shall receive such amount, not to exceed ten percent (10%), of the net income before income tax of the corporation during the preceding year, as may be determined by the Board of Directors, as compensation, subject to the approval by the stockholders.

ARTICLE IV

OFFICERS

Section 1. ELECTION, TERM OF OFFICE AND QUALIFICATIONS. The Board of Directors shall annually, at the organizational meeting, elect a Chairman of the Board, a Vice Chairman, a President, Vice President (s), a Treasurer, a Secretary and an Assistant Secretary. The Chairman of the Board, the Vice Chairman, and the President shall be stockholders and directors. Each of the Secretary and Assistant Secretary shall be a resident and a citizen of the Philippine.

The Board of Directors may also, from time to time create such other positions and appoint such other officers and agents, as it may deem proper or necessary. Any two or more positions may be held concurrently by the same person, except that no one shall act as President and Secretary or as President and Treasurer at the same time. Every officer shall hold office only at the pleasure of the Board of Directors, and all vacancies occurring among the officers by death, removal, resignation or disability shall be filled by the Board of Directors. Any such resignation shall take effect upon acceptance thereof by the Board of Directors. In case of temporary absence of any officer or should the Board of Directors deem it necessary, the latter may delegate the powers and duties of such officer to any other qualified person.

The Board of Directors may, from time to time, prescribe the duties and functions of the officers, agents, and employees of the Company.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005)

Section 2. CHAIRMAN OF THE BOARD. The Chairman of the Board shall preside at all meetings of the stockholders and the Board of Directors at which he may be present. He shall perform such other functions as may from time to time be delegated to him by the Board of Directors. *(As amended on 30 April 1999)*

Section 3. VICE CHAIRMAN. The Vice Chairman shall act as and assume the functions of the Chairman during the absence of the latter. He shall perform such other duties as may from time be delegated to him by the Board of Directors or the Chairman. *(As amended on 30 April 1999)*

Section 4. PRESIDENT. The President shall have general charge, supervision, and control of the business and affairs of the Company, subject, however, to the control of the Board of Directors, and he may appoint and discharge all employees. He shall see to it that all resolutions of the Board of Directors are duly carried out. He shall fix the compensation of all the employees not appointed by the Board of Directors, and shall have the power to grant bonuses of the directors, officers and deserving employees of the company, subject to the approval of the Board of Directors. He shall vote and represent the shares of stock owned or held by the corporation in another company, firm or entity. He shall perform such office functions as may be incidental to his office and shall preside in all meetings of the stockholders and the Board of Directors in the absence of the Chairman of the Board and the Vice Chairman. *(As amended on 30 April 1999)*

Section 5. TREASURER. The Treasurer shall deposit all moneys, and other valuable effects of the Company in such trust companies, banks or depositories as the Board of Directors shall from time to time designate. He shall have authority to receive and give receipts for all moneys aid to Company from any source whatsoever and to endorse checks, drafts, and warrants in its name and on its behalf, and to give full discharge, for the same. Proper accounts shall be kept in his office of all receipts and disbursements made by him for the Company, with the vouchers in support thereof, which shall be submitted to any auditor or auditors appointed by the stockholders for inspection as when required. The Treasurer shall at all times be subject to the control of the Board of Directors, and shall perform such other duties as may be properly delegated to him. He shall, if the Board of Directors so require, give a bond in such an amount, as the Board may require for the faithful performance of his duties. *(As amended on 30 April 1999)*.

Section 6. SECRETARY & ASSISTANT SECRETARY. Each of the Secretary and the Assistant Secretary must be a Filipino citizen and a resident of the Philippines. The Secretary and in his absence, the Assistant Secretary shall record all the votes and proceedings of the stockholders and of the directors in a book kept for that purpose. The Secretary shall have charge of the corporate seal of the Company and the stock certificate books. He shall countersign with the President, the certificate of stock issued as well as such other instruments which require his signature. The Secretary and in his absence, the Assistant Secretary shall attend to the giving and serving of all notices required by law or by these By-laws and shall perform such other duties as may be properly delegated to him.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005.)

Section 7. VICE PRESIDENT(s). The Vice President(s) shall exercise all the powers and perform all the duties as the Board of Directors may prescribe.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005.)

Section 8. COMPENSATION. The Board of Directors shall fix the salaries and bonuses of all officers. The fact that any officer is a director shall not preclude him from voting upon the resolution fixing the same.

(As amended by a majority of the Board of Directors on 10 June 2005 and stockholders representing at least a majority of the outstanding capital stock of the Corporation on 17 June 2005.)

ARTICLE V

SUBSCRIPTION, ISSUANCE, AND TRANSFER OF SHARES

Section 1. SUBSCRIPTIONS. Unpaid subscriptions to the capital stock of the Corporation shall be due and payable in accordance with the terms of the subscription agreement, if provided, for or at any time, or from time to time, as they shall be declared due and payable by the Board of Directors. Unless otherwise provided in the subscription agreement, no interest shall be due on unpaid subscriptions until such subscriptions are declared delinquent.

Section 2. STOCK CERTIFICATES. Each stockholder shall be entitled to a certificate for fully paid stock subscriptions in his name in the books of the Corporation which shall be signed by the President and countersigned by the Secretary of the Corporation and sealed with the corporate seal certifying the number of fully paid-up shares owned by him. All such certificates shall be issued in consecutive order from a certificate book, and shall be numbered and registered in the order in which they are issued, and on the stub of each certificate issued to him. Every certificate returned to the Corporation for the exchange or transfer of shares shall be cancelled, and attached to the stock certificate book from which it originated. No certificate evidencing previously issued shares shall be created until the old certificates corresponding to such shares shall have been cancelled and returned to its stock certificate book. The necessary documentary stamp taxes for the issuance of new certificates arising from the transfer of shares shall be borne by the stockholder in whose favor such shares are assigned or transferred.

Section 3. TRANSFER OF SHARES. Transfer of shares shall be made only on the books of the Corporation by the holders in person or by attorney authorized by power in writing, so as to show the name and citizenship or nationality of the parties of the transaction, the date of the transfer, the numbers if the certificates and the number of shares transferred and on the surrender of the certificates for such shares properly endorsed. And upon such transfer the old certificate shall be surrendered to the Corporation by delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other person as the Board of Directors may designate, by whom it shall be cancelled, and a new certificate shall be thereupon issued. All certificates presented for transfer to the Corporation must be "CANCELLED" on the face thereof together with the date of cancellation, and must immediately be attached to the corresponding stub in the stock book. Whenever any transfer of shares shall be made for collateral security, and not absolutely, such fact, if known to the Secretary or to said transfer agent, shall be so expressed in the entry of the transfer; Provided that, no issuance of transfer of shares of stock of the Corporation which would reduce the stock ownership of Filipino citizens, to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens shall be allowed or permitted to be recorded in the books of the Corporation.

All transfer shall be valid and binding on the Corporation only upon the recording thereof in the books of the Corporation, cancellation of the certificate surrendered to the Secretary, and issuance of a new certificate to the transferee.

No shares of stock against which the Corporation holds unpaid claim shall be transferable in the books of the Corporation.

No holder of stock against which the Corporation shall have any pre-emptive right to subscribe and/or purchase any stock of the Corporation including any additional or increased stock of any class whether now or hereafter authorized. *(As amended on 21 December 1995)*

Section 4. LOST, DESTROYED AND MUTILATED CERTIFICATES. The holder of any stock of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificate therefore. Any stockholder who claims that his certificate of stock has been lost or destroyed shall file an affidavit in triplicate with the Corporation stating the circumstances of such loss or destruction, and he shall further give notice thereof by publication in a newspaper of general circulation in Manila once in a week for three (3) consecutive weeks. After one (1) year from the date of the last publication, if no contest has been presented regarding said certificate(s) of stock, a new certificate or certificates marked "DUPLICATE" shall be issued to such stockholder provided that a bond may be given in lieu of the one-year period required prior to issuance of replacement pursuant to Section 73(2)

of the Corporation Code equal to three times the market value of the shares of stock represented by the certificate of stock lost, stolen or destroyed as of the date of the written request for replacement certificates was filed and provided, that the bond be issued by a surety corporation of good standing and acceptable to the Corporation.

Section 5. ADDRESSES. Every stockholder and transferee shall furnish the Secretary or transfer agent with his address to which notices may be served upon or mailed to him.

If any stockholder shall fail to designate any change in such address, corporate notices shall be deemed properly served upon him by delivery or mail directed to him at his last known postal address.

Section 6. TREASURY STOCK. All issued and outstanding stock of the Corporation which may be purchased by or transferred to the Corporation shall become treasury stock and shall be held to disposition in accordance with the Seventh Article of the Articles of Incorporation. While such stocks are held by the Corporation, they shall neither vote, nor participate in dividends.

Section 7. FRACTIONAL SHARES. No certificate of stock shall be issued evidencing ownership of a fractional part of a share.

ARTICLE VI

DIVIDENDS AND FINANCES

Section 1. FISCAL YEAR. The fiscal year of the Corporation shall begin on the first day of January and shall end on the last day of December of each year.

Section 2. EXTERNAL AUDITOR. An independent Auditor shall be designated by the Board of Directors prior to close of the business in each fiscal year. The auditor shall audit and examine the books of account of the Corporation, and shall certify to the Board of Directors and shareholders the annual balances of said books which shall be prepared at the close of the said year under the direction of the Treasurer. No director or officer of the Corporation, and no firm or corporation of which such officer or director is a member, shall be eligible to discharge the duties of the Auditor. The compensation of the Auditor shall be fixed by the Board of Directors.

Section 3. DIVIDENDS. Dividends payable out of the surplus profits of the Company shall be declared at such time and in such manner and in such amounts as the Board of Directors shall determine; Provided that, stock dividends shall be subject to the approval of the stockholders in a meeting called for the purpose.

ARTICLE VII

SEAL

The Corporate seal shall consist of a circular design on which is inscribed the name of the Corporation, WILLIAM, GOTHONG & ABOITIZ, Inc. Cebu City, Philippines.
(As amended on 21 December 1995)

ARTICLE VIII

PENALTIES FOR VIOLATION OF BY-LAWS AND INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. The Board of Directors shall pass judgment on all cases of violations of the provision of this Code and By-Laws and impose such penalties it may deem appropriate in the circumstances.

Section 2. The Corporation shall indemnify every director or officer, his heirs, executors, and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative, or investigative action, suit, or proceeding to which he may be, or is, made a party by reason of his being or having been a director or officer, except in relation to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for negligence or misconduct. In the event of a settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified did not commit such a breach of duty. The costs and expenses incurred in defending the aforementioned action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or in behalf of the director or officer to repay such amount unless it shall be ultimately determined that he is to be indemnified by the Corporation as authorized in these By-Laws.

ARTICLE IX

AMENDMENT OF BY-LAWS

These By-Laws, or any of them, may be altered, amended, extended or repealed by stockholders representing a majority of the outstanding capital stock, and of the directors by the majority vote at any of their meetings. The Board of Directors when authorized by resolution by the stockholders owning at least two thirds (2/3) of the outstanding capital stock, shall have the authority to amend or repeal these by-laws or to enact new by-laws, but such by-laws may be altered,

amended, extended or repealed by the stockholders representing the majority of the outstanding capital stock, at any meeting.

ARTICLE X

ADOPTION CLAUSE

The foregoing By-Laws was adopted by all the stockholders of the corporation on October 10, 1994 at the principal office of the corporation.

(Sgd.) WILLIAM L. CHIONGBIAN

(Sgd.) HENRY S. CHIONGBIAN

(Sgd.) VICTOR S. CHIONGBIAN

(Sgd.) BONIFACIO O. DOROY

(Sgd.) HENRY N. UY

COUNTERSIGNED:

(Sgd.) EUGUENIO S. ESPEDIDO
Corporate Secretary